STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Ameren Transmission Company of Illinois	:	
Petition for a Certificate of Public Convenience and Necessity, pursuant to Section 8-406.1 of the Illinois Public UtilitiesAct, to Construct, Operate and Maintain an New High Voltage Electric Service Line and Related Facilities in the Counties of Adams, Brown, Cass, Champaign, Christian, Clark, Coles, Edgar, Fulton, Macon, Montgomery, Morgan, Moultrie, Pike, Sangamon, Schuyler, Scott and Shelby, Illinois.	:	Docket No. 12-0598

INITIAL BRIEF OF THE STAFF OF THE ILLINOIS COMMERCE COMMISSION

MATTHEW L. HARVEY
JAMES V. OLIVERO
KELLY A. ARMSTRONG
Office of General Counsel
Illinois Commerce Commission
160 North LaSalle Street, Suite C-800
Chicago, IL 60601
Phone: (312) 793-2877
Fax: (312) 793-1556
mharvey@icc.illinois.gov
jolivero@icc.illinois.gov
karmstrong@icc.illinois.gov

Counsel for the Staff of the Illinois Commerce Commission

June 3, 2013

Table of Contents

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Ameren Transmission Company of Illinois	:	
Petition for a Certificate of Public Convenience and Necessity, pursuant to Section 8-406.1 of the Illinois Public UtilitiesAct, to Construct, Operate and Maintain an New High Voltage Electric Service Line and Related Facilities in the Counties of Adams, Brown, Cass, Champaign, Christian, Clark, Coles, Edgar, Fulton, Macon, Montgomery, Morgan, Moultrie, Pike, Sangamon, Schuyler, Scott and Shelby, Illinois.	:	Docket No. 12-0598

INITIAL BRIEF OF THE STAFF
OF THE ILLINOIS COMMERCE COMMISSION

The Staff of the Illinois Commerce Commission ("Staff"), by and through its undersigned counsel, pursuant to Section 200.800 of the Illinois Commerce Commission's ("Commission" or "ICC") Rules of Practice (83 Ill. Adm. Code 200.800), respectfully submits its Initial Brief in the above-captioned matter.

I. INTRODUCTION

On November 7, 2012, Ameren Transmission Company of Illinois ("ATXI" or the "Company") submitted its initial petition pursuant to Section 8-406.1 of the Illinois Public Utilities Act (the "Act") for the issuance of a Certificate of Public Convenience and Necessity authorizing the Company to construct, operate, and maintain a new 345 kV electric transmission service line, along with related facilities, approximately 375 miles

across portions of the State of Illinois. The Company completed the filing by submission of an amendment to the petition on February 7, 2013, and the Commission extended the statutory deadline to August 20, 2013, pursuant to the provisions of Section 8-406.1(g).

Numerous landowners and parties intervened, including, without limitation, Ameren Services Company ("ASC"); Donna Allen; Central Stone Company; Enbridge Pipelines (Illinois), L.L.C.; Prairie Power, Inc.; City of Champaign, Illinois ("Champaign"); Village of Savoy, Illinois ("Savoy"); FutureGen Industrial Alliance, Inc. ("FutureGen"); Locals 51 and 702, International Brotherhood of Electrical Workers ("IBEW"); Beth Bauer; Nancy N. Madigan; Barbara Bergschneider; David Bockhold; the Midcontinent Independent Transmission System Operator, Inc. ("MISO"); Wind on the Wires; Gan Properties, L.L.C.; Schuyler County Property Owners ("SCPO"); Niemann Foods, Inc.; Colfax-Scott Land Preservation Group ("CSLPG"); Morgan, Sangamon and Scott Counties Land Preservation Group ("MSSCLPG"); the Korsmeyer Family Farm Trust ("Korsmeyer"); Edgar County Intervenors; Leon Corzine ("Corzine"); Morgan and Sangamon County Landowners and Tenant Farmers; Stop the Power Lines Coalition ("SPLC"); Tarble Limestone Enterprises ("Tarble"); Reed Interests ("Reed"); Coles County Landowners; Coles and Moultrie County Land Interests; Alex House; Michael T. Cody; Anna Mae Copeland; Ebron Doak; Adams County Property Owner ("ACPO"); The Nature Conservancy; N. Kohl Grocer Company, d/b/a Kohl Wholesale ("Kohl"); the Illinois Agricultural Association a/k/a ICFB; the Village of Mt. Zion, Illinois; Michael Hutchinson; Pamela P. Irwin; Enbridge Energy Company, Inc.; Morgan County Property Owners; Clean Line Energy Partners, L.L.C.; Western Morgan County Property Owners; Burrus Seed Farms, Inc.; Dynegy, Inc.; Michael E. Lockwood; Illinois Laborers' and

Contractors Training Trust Fund; Thomas McLaughlin; the Wiese Farms; the Edna Keplinger Trust; Peggy Mills; Rural Clark and Edgar County Concerned Citizens; Niemann Foods, Inc.; the Village of Pawnee, Illinois; Matt Holtmeyer Construction, Inc.; the Shelby County Landowners Group ("SCLG"); Gregory A. Pearce; James Phillips; Adam M., Magdi, and Barbara Ragheb ("Ragheb"); Sherry L. Ralston; Justin Ramey; Ann Raynolds; the Timberview Community ("Timberview"); Moultrie County Property Owners ("MCPO"); Janet Roney; Deborah D. Rooney; RCECCC; the Clark County Preservation Committee; JDL Broadcasting, Inc. ("JDL"); Laura Te Grotenhuis; the Coalition of Property Owners and Interested Parties inPiatt, Douglas & Moultrie Counties; Christian County Property Owners ("CCPO"); and Mark Lash.

The Company provided pre-filed direct and rebuttal testimony. Staff and Intervenors pre-filed direct testimony as well as rebuttal to one another, though given the expedited schedule required under Section 8-406.1, were not afforded the opportunity to file rebuttal testimony to ATXI. An evidentiary hearing was held on May 13-17, 2013, at which time pre-filed testimony was moved into evidence and parties were made available for cross-examination. At the conclusion of the hearing, the record was marked heard and taken.

II. REQUIREMENTS FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

The statutory provision under which ATXI seeks its CPCN in this proceeding is Section 8-406.1 of the Illinois Public Utilities Act. *See, generally*, Petition. Section 8-406.1, which is entitled "Certificate of public convenience and necessity; expedited procedure", provides, in its entirety, as follows:

(a) A public utility may apply for a certificate of public convenience and necessity pursuant to this Section for the construction of any new high voltage electric service line and related facilities (Project). To facilitate the expedited review process of an application filed pursuant to this Section, an application shall include all of the following:

(1) Information in support of the application that shall include the following:

(A) A detailed description of the Project, including location maps and plot plans to scale showing all major components.

(B) The following engineering data:

(i) a detailed Project description including:

(I) name and destination of the Project;

(II) design voltage rating (kV);

(III) operating voltage rating (kV); and

(IV) normal peak operating current rating;

(ii) a conductor, structures, and substations description including:

(I) conductor size and type;

(II) type of structures;

(III) height of typical structures;

(IV) an explanation why these structures were selected;

(V) dimensional drawings of the typical structures to be used in the Project; and

(VI) a list of the names of all new (and existing if applicable) substations or switching stations that will be associated with the proposed new high voltage electric service line;

(iii) the location of the site and right-of-way including:

(I) miles of right-of-way;

(II) miles of circuit;

(III) width of the right-of-way; and

(IV) a brief description of the area traversed by the proposed high voltage electric service line, including a description of the general land uses in the area and the type of terrain crossed by the proposed line;

(iv) assumptions, bases, formulae, and methods used in the development and preparation of the diagrams and accompanying data, and a technical description providing the following information:

(I) number of circuits, with identification as to whether the circuit is overhead or underground;

(II) the operating voltage and frequency; and

(III) conductor size and type and number of conductors per phase;

(v) if the proposed interconnection is an overhead line, the following additional information also must be provided:

(I) the wind and ice loading design parameters;

(II) a full description and drawing of a typical supporting structure, including strength specifications;

(III) structure spacing with typical ruling and maximum spans;

(IV) conductor (phase) spacing; and

(V) the designed line-to-ground and conductor-side clearances;

(vi) if an underground or underwater interconnection is proposed, the following additional information also must be provided:

(I) burial depth;

(II) type of cable and a description of any required supporting equipment, such as insulation medium pressurizing or forced cooling;

(III) cathodic protection scheme; and

(IV) type of dielectric fluid and safeguards used to limit potential spills in waterways;

(vii) technical diagrams that provide clarification of any item under this item (1) should be included; and

(viii) applicant shall provide and identify a primary right-of-way and one or more alternate rights-of-way for the Project as part of the filing. To the extent applicable, for each right-of-way, an applicant shall provide the information described in this subsection (a). Upon a showing of good cause in its filing, an applicant may be excused from providing and identifying alternate rights-of-way.

(2) An application fee of $100,000, which shall be paid into the Public Utility Fund at the time the Chief Clerk of the Commission deems it complete and accepts the filing.

(3) Information showing that the utility has held a minimum of 3 pre-filing public meetings to receive public comment concerning the Project in each county where the Project is to be located, no earlier than 6 months prior to the filing of the application. Notice of the public meeting shall be published in a newspaper of general circulation within the affected county once a week for 3 consecutive weeks, beginning no earlier than one month prior to the first public meeting. If the Project traverses 2 contiguous counties and where in one county the transmission line mileage and number of landowners over whose property the proposed route traverses is 1/5 or less of the transmission line mileage and number of such landowners of the other county, then the utility may combine the 3 pre-filing meetings in the county with the greater transmission line mileage and affected landowners. All other requirements regarding pre-filing meetings shall apply in both counties. Notice of the public meeting, including a description of the Project, must be provided in writing to the clerk of each county where the Project is to be located. A representative of the Commission shall be invited to each pre-filing public meeting.

(b) At the first status hearing the administrative law judge shall set a schedule for discovery that shall take into consideration the expedited nature of the proceeding.

(c) Nothing in this Section prohibits a utility from requesting, or the Commission from approving, protection of confidential or proprietary information under applicable law. The public utility may seek confidential protection of any of the information provided pursuant to this Section, subject to Commission approval.

(d) The public utility shall publish notice of its application in the official State newspaper within 10 days following the date of the application's filing.

(e) The public utility shall establish a dedicated website for the Project 3 weeks prior to the first public meeting and maintain the website until construction of the Project is complete. The website address shall be included in all public notices.

(f) The Commission shall, after notice and hearing, grant a certificate of public convenience and necessity filed in accordance with the requirements of this Section if, based upon the application filed with the Commission and the evidentiary record, it finds the Project will promote the public convenience and necessity and that all of the following criteria are satisfied:

(1) That the Project is necessary to provide adequate, reliable, and efficient service to the public utility's customers and is the least-cost means of satisfying the service needs of the public utility's customers or that the Project will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives.

(2) That the public utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the construction.

(3) That the public utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

(g) The Commission shall issue its decision with findings of fact and conclusions of law granting or denying the application no later than 150 days after the application is filed. The Commission may extend the 150-day deadline upon notice by an additional 75 days if, on or before the 30th day after the filing of the application, the Commission finds that good cause exists to extend the 150-day period.

(h) In the event the Commission grants a public utility's application for a certificate pursuant to this Section, the public utility shall pay a one-time construction fee to each county in which the Project is constructed within 30 days after the completion of construction. The construction fee shall be $20,000 per mile of high voltage electric service line constructed in that county, or a proportionate fraction of that fee. The fee shall be in lieu of any permitting fees that otherwise would be imposed by a county. Counties receiving a payment under this subsection (h) may distribute all or portions of the fee to local taxing districts in that county.

(i) Notwithstanding any other provisions of this Act, a decision granting a certificate under this Section shall include an order pursuant to Section 8-503 of this Act authorizing or directing the construction of the high voltage electric service line and related facilities as approved by the Commission, in the manner and within the time specified in said order.

220 ILCS 5/8-406.1

ATXI has satisfied the requirements of Section 8-406.1(a)(1)-(3), (d) and (e). Staff Ex. 1.0 (R) at 9-10.

In Staff's opinion, the criteria set forth in Subsection 8-406.1(f) listed above should serve as the primary basis for the Commission's decision when considering whether to grant ATXI's request. Staff Ex. 1.0(R) at 5.

III. OVERALL NEED FOR THE PROPOSED FACILITIES

MISO has determined ATXI's Project is necessary because without it, 345 kV and 138 kV transmission facilities in Illinois will be loaded above safe operating levels or operate with inadequate voltage levels. Staff Ex. 1.0(R) at 5-6, *citing* MISO Ex. 1.0 at 31-32. The Illinois Rivers Project, for which this CPCN is sought, includes four of the six projects in Illinois that MISO included in its Multi-Value Project ("MVP") Portfolio. Staff Ex. 1.0(R) at 6. Projects included in the MVP Portfolio must: (1) deliver energy in a manner that is more reliable and/or more economic than it otherwise would be without the transmission upgrade, (2) provide multiple types of economic value across multiple pricing zones and so be cost beneficial, or (3) generate quantifiable financial and reliability benefits in excess of project costs. Id.

Of the projects that ATXI might undertake, the Illinois Rivers Project appears to be a superior approach, as it addresses needs within MISO's entire operating region, and not only needs within Illinois. Staff Ex. 1.0(R) at 6. Since costs for the Illinois Rivers Project would be spread across the entire MISO footprint, Illinois customers would bear approximately 9% of the Project cost. Id. In contrast, costs for correcting local reliability

and voltage issues with separate projects in a piecemeal fashion might be born exclusively by ratepayers within the Ameren footprint. Id.

MISO's studies demonstrate the need for an additional 345 kV line across the state. Staff Ex. 1.0(R) at 6. Even if reliability and voltage issues were separately resolved, the aggregate cost of all the separate projects plus a 345 kV transmission line across the state are likely to be higher. Id. Therefore, resolving the reliability and voltage issues as part of the larger Illinois Rivers Project would be beneficial to electric customers in Illinois, due to the cost sharing methodology for MISO Multi-Value Projects. Id. at 6-7. Specifically, MISO determined that the Project is necessary to promote the development of an effectively competitive electricity market as wind generation continues to develop. Id. at 7. Staff has no reason to question MISO's conclusion that an additional 345 kV line across central Illinois is necessary and the least cost means to satisfy the service needs of not only electric utility customers in Illinois, but also electric utility customers in the entire MISO footprint. Id.

In summary, it is Staff's opinion that the facilities are, with the exceptions noted, necessary to provide adequate, reliable, and efficient service to the public utility's customers or will promote the development of an effectively competitive electricity market that operates efficiently, and is equitable to all customers, within the meaning of Section 8-406.1(f)(1).

Staff observes, however, that many of the benefits that ATXI and MISO attribute to the Illinois Rivers Project will be realized only if AIC connects its existing 138 kV transmission system to ATXI's proposed new transformers. Staff Ex. 1.0(R) at 14. An ATXI officer "affirm[ed] Ameren Illinois Company's commitment and understanding of its

obligations to make the necessary substation connections that will support the Illinois Rivers Project." ATXI Ex. 10.3. This satisfies Staff's concerns regarding the matter. Tr. at 294.

IV. LEAST-COST AND THE PROPOSED TRANSMISSION LINE ROUTES

A. Mississippi River – Quincy

1. Length of the Line

As proposed by ATXI, this segment of the line is approximately 5.3 miles long. Staff Ex. 1.0(R) at 24, Table 1. ATXI's proposed alternate route is approximately 6.2 miles in length. Id. Kohl proposes primary alternate and secondary alternate routes that are, respectively, approximately 5.8 and 4.8 miles long. Id.

2. Difficulty and Cost of Construction

Generally, a transmission line route that follows a straight line is shorter and costs less than a route that meanders. Staff Ex. 1.0(R) at 20. Not only does a shorter route cost less initially, but since there are fewer facilities to maintain, ongoing expenses associated with a shorter route are less. Id. In addition, the structures used for a straight route are normally less costly than structures that must support the uneven forces from conductors due to a route that changes direction. Id. ATXI's estimated average price for each tangent structure, which would be used to support transmission lines with angles of 1 degree or less, is $33,000. Id. In contrast, ATXI's estimated average cost for a structure supporting a transmission line angled at from 1 to 15 degrees from that of a tangent structure, otherwise known as a "running angle", is $74,250, more than double

that of a tangent structure. Id.; Staff Ex. 1.0(R), Att. H. It costs ATXI an estimated $107,250 to construct a dead-end structure, which is required for angles above 15 degrees. Id. This is more than three times the cost of a tangent structure. These factors should be considered when evaluating all segments, although Staff will not reiterate them in detail. Staff notes that ATXI provides its cost estimate for constructing each segment in ATXI Ex. 16.3 (Rev.).

Among the routes proposed for the Mississippi River – Quincy segment, Kohl's second alternative route is shortest and would require the fewest dead-end structures. Staff Ex. 1.0(R) at 23-24. Accordingly, of the four routes described above, it would, all else equal, be the least expensive to construct. Id.

3. Difficulty and Cost of Operation and Maintenance

As noted above, straight transmission lines are shorter, and thus there are fewer facilities to maintain, and maintenance expenses are therefore less. Staff Ex. 1.0(R) at 20.; Tr. at 238. Again, this should be considered when evaluating all segments, although Staff will not reiterate them in detail. The transmission line throughout its entire length has to be maintained on its 150-foot right-of-way regardless of what that right-of-way is adjacent to. Tr. at 243. That is part of the reason that rights-of-way are obtained, to give a utility the opportunity to maintain its line. Id. Staff believes difficulty and cost of operation and maintenance are generally proportional to line length.

As noted, Kohl's second alternative route is shortest. Accordingly, all else equal, the Kohl's second alternative route is the least difficult and least costly alternative.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Using Kohl's Second Alternate Route might require the proposed 345 kV line to cross the existing transmission line twice in order to avoid two existing residences. Staff Ex. 1.0(R) at 24. In addition, at State Highway 57, a new 150-foot right-of-way may not fit parallel to the existing line without displacement of an existing building. Id. Nonetheless, it appears that that AIC's legacy company, Central Illinois Public Service Company, had planned to use Kohl's Secondary Alternative Route for a 345 kV transmission line during the 1980's. Staff Ex. 1.0(R) at 24-25 and Att. H.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

Kohl's second alternative route first parallels an existing 161 kV transmission line and then an existing 138 kV transmission line as it extends east from the Mississippi River. Staff Ex. 1.0(R) at 23. ATXI contends that:

> [F]rom a reliability perspective, common/adjoining rights-of-way are undesirable since they are susceptible to common-mode failures. For power transfers, which tend to be directional, a common mode failure of both the Illinois River circuit and the existing transmission would eliminate both paths carrying flows in that "direction".
>
> Staff Ex. 1.0(R) at 25, *citing* ATXI Response to Staff Data Request 2.01

However, it should be noted that common-mode failures are normally considered for transmission lines that are constructed on common structures. Staff Ex. 1.0(R) at 25.

If two transmission lines are on non-overlapping rights-of-way, as appears to be the case with Kohl's second alternative route, the transmission lines could have more clearance from one another than either line has to other objects. Id. at 25-26. Further, ATXI's own primary and alternate route proposals include many miles where its proposed 345 kV transmission line runs parallel with and adjacent to an existing 138 kV line. Id. at 26. Thus, the company cannot consider this a particularly significant impediment.

B. Quincy – Meredosia

1. Length of the Line

ATXI's proposed primary route is approximately 48.7 miles in length. Staff Ex. 1.0(R) at 30, Table 2. ATXI's proposed secondary route is approximately 48.2 miles long. Id. ACPO proposes a route that is approximately 43.6 miles in length. Id. Staff proposes as an alternative a "hybrid" route that is approximately 46.3 miles long. Id.

2. Difficulty and Cost of Construction

ACPO's Alternative 1 is the shortest and least costly route. Staff Ex. 1.0(R) at 29. As it extends east from the proposed SE Quincy Substation site ACPO's Alternative 1 generally follows an alignment that corresponds to CR 800N. Id. This route is more direct than either of ATXI's proposed routes, and there appear to be no reason this route cannot not be used. Id.

In the event that that ACPO's Alternative 1 cannot be used, or that using it would be more costly than other alternatives, Staff recommends combining elements of ATXI's primary and alternate routes to form a SE Quincy – Meredosia "hybrid route". Staff Ex.

1.0(R) at 29. Specifically, ATXI would utilize its primary route when leaving the SE Quincy Substation site until it reaches the quarter-section line north of CR 600N. Id. The route would then follow ATXI's alternative route until that route joins ATXI's primary route at the CR 400N alignment, see ATXI Ex. 4.2 Part 9 at 2, then follow ATXI's primary route east until reaching the proposed Meredosia Substation site. Staff Ex. 1.0(R) at 29. This hybrid route is shorter and therefore should be less costly than either the primary or alternate route that ATXI proposes. Id., and Table 2.

3. Difficulty and Cost of Operation and Maintenance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff's "hybrid" route avoids several structures, including residences. Staff Ex. 1.0(R) at 29.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

Staff's recommended use of ACPO's Alternative 1 would place the new 345 kV line parallel and adjacent to an existing 138 kV line from the center of Burton Township to the vicinity of Meredosia. Staff Ex. 1.0(R) at 27.

C. Meredosia – Ipava

1. Length of the Line

ATXI's proposed primary route is approximately 49.8 miles in length. Staff Ex. 1.0(R) at 33, Table 3. Its proposed alternate route is approximately 47.9 miles in length. Id. TNC proposes two lines; its first alternative is approximately 42.1 miles in length, and its second is approximately 43.8 miles in length. Id.

2. Difficulty and Cost of Construction

First, ATXI should terminate the Meredosia to Ipava segment of its 345 kV line at the existing AIC substation at Ipava. Staff Ex. 1.0(R) at 30. Observation of the existing AIC substation site during an aerial route inspection and the use of publicly available web sites demonstrates that the existing substation could be expanded to the south or to the north to provide adequate space for the 345 kV termination and tie to existing AIC 345 kV line. Staff Ex. 1.0(R) at 31. ATXI does not propose installing a 345/138 kV transformation at Ipava, so not as much space would be required as at some of the other substation sites that it proposes. Id. There does not appear to be any compelling reason why a new, additional substation site east of the existing AIC substation site would be necessary to tie the proposed 345 kV line to the existing AIC 345 kV line. Id. It appears that ATXI does not possess a drawing of or know the dimensions of the existing Ipava substation, and so does not know whether it could terminate its proposed 345 kV line using the existing AIC substation at Ipava. Id., and Att. L. Further, ATXI's primary and alternate routes both pass the existing AIC Ipava substation to reach ATXI's proposed Ipava Substation site. Staff Ex. 1.0(R) at 31.

There do not appear to be any significant benefits of one route over the other beyond cost. Staff Ex. 1.0(R) at 33. Assuming similar construction practices would be used on all the routes, the route length and number of dead-end structures will tend to be the primary cost drivers for this segment. Id.

Based upon this, it appears that TNC's Alternate 1 would be the best route choice for this segment. Staff Ex. 1.0(R) at 33. TNC's route recommendation does not cross either of the natural areas that TNC identified. In addition, it appears that TNC's Alternate 1 would be considerably shorter than either route that ATXI proposes. Id. Since there appear to be no compelling circumstances that would prevent ATXI from constructing TNC's Alternate 1, that route appears to be the best choice for the Meredosia to Ipava segment. Id.

3. Difficulty and Cost of Operation and Maintenance

As noted, TNC's Alternate 1 would be the best route choice for this segment, inasmuch as it is the shortest and requires the fewest dead end structures. Staff Ex. 1.0(R) at 33.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

Use of TNC's Alternate 1 route would place the proposed 345 kV line parallel and adjacent to an existing 138 kV transmission line for much of its distance. Staff Ex. 1.0(R) at 33.

D. Meredosia – Pawnee

1. Length of the Line

ATXI's primary route is approximately 67.7 miles long. Staff Ex. 1.0(R) at 37, Table 4. Its secondary route is approximately 75.6 miles long. Id. M&SCL propose a route that is approximately 57.3 miles in length. Id. The Pearces propose two routes: the first is approximately 66.5 miles in length, and the second is approximately 67.7 miles in length. Id. The Robinettes propose a route that is approximately 75.2 miles in length. Id.

2. Difficulty and Cost of Construction

There is evidence of mine subsidence is occurring at AIC's existing Pawnee Substation. Staff Ex. 1.0(R) at 34. Given that one of the primary purposes of the Project is to create a dependable source for the delivery of wind generation both in and out of the state, it is reasonable for ATXI to seek a location outside of the area of mine subsidence to terminate its 345 kV transmission line, and the location it has selected, along the existing 345 kV transmission line connecting Pawnee to the Kincaid Generation Plant, is logical. Id.

Constructing this segment parallel to the existing 138 kV line, as M&SCL suggests, would result in by far the shortest and lowest cost route. Staff Ex. 1.0(R) at 36. Two interveners expressed support for ATXI's alternate route, but ATXI's cost estimate,

see ATXI Ex. 7.4, indicates that constructing the line along ATXI's alternate route would be $15 million more costly than constructing it along ATXI's primary route. Staff Ex. 1.0(R) at 36. ATXI's primary route, as modified by Pearce's first alternative, would be the next most logical route. Id

3. Difficulty and Cost of Operation and Maintenance

As noted above, the M&SCL route would result in by far the shortest and lowest cost route. Id.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this

Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

M&SCL's alternative route for the 345 kV line would follow an existing 138 kV line between Merodosia to Pawnee, and Pearce's first alternate route would follow an existing 138 kV line for approximately 3.6 miles in Chatham Township in Sangamon County. Staff Ex. 1.0(R) at 35.

E. Pawnee – Pana

1. Length of the Line

ATXI proposes three routes: a primary route that is approximately 34.4 miles long, a primary alternate route that is approximately 38.5 miles long, and a secondary alternate route that is approximately 32.3 miles long. Staff Ex. 1.0(R) at 39, Table 5.

2. Difficulty and Cost of Construction

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

3. Difficulty and Cost of Operation and Maintenance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

ATXI's second alternative route would place the 345 kV line parallel and adjacent to an existing 138 kV line for approximately half the distance between Pawnee and Pana. ATXI Ex. 13.6.

F. Pana – Kansas

1. Need for Mt. Zion Substation

The only reason to construct the proposed ATXI Mt. Zion Substation is to supply AIC's 138 kV transmission system with an additional 345 kV source. Staff Ex. 1.0(R) at 39. However, given that ATXI has committed to interconnect with AIC, *see* ATXI Ex. 10.3, there is a need for such a substation.

2. Location of Mt. Zion Substation

Similar to SE Quincy Substation, ATXI does not plan to tie its proposed 345 kV transmission line to any existing 345 kV transmission lines in the Mt. Zion vicinity. Staff Ex. 1.0(R) at 39. Even though the 345 kV line will supply a 345/138 kV transformer near Mt. Zion, a preferable location for the Mt. Zion Substation is further south - nearer a line between Pana and Kansas, as proposed by the Village of Mt. Zion. Staff Ex. 1.0(R) at 39, 43. For example, the Village of Mt. Zion proposed an alternate substation site south of the site proposed by ATXI –along Henry Rd., on the east side of Section 28, rather than along Sulphur Springs Rd., on the north side of Section 17, as ATXI proposes. Staff Ex. 1.0(R) at 41. It is more economical for AIC to extend two 138 kV lines further south to the 345 kV line than for ATXI to extend two 345 kV north to Mt. Zion. Id. at 40 and Att. M. This is due to the fact that structure and hardware for 345 kV lines are more costly, and required rights-of-way for 345 kV lines are wider and therefore more costly as well. Id. at 40. It would be preferable for ATXI to route its proposed transmission line along the least-cost route between Pana and Kansas. Id.

3. Route Location

a. Pana - Kansas (if Mt. Zion substation deemed unnecessary)

If, at the conclusion of this proceeding, the Commission determines that ATXI has not adequately demonstrated the need for its proposed routing to Mt. Zion, the Commission should exclude the Pana-Mt. Zion-Kansas segments from any CPCN it grants. Staff Ex 1.0(R) at 47. ATXI would then have an opportunity to study the alternative Pana-Kansas routes presented in this proceeding and determine whether to pursue one of those routes, a Pana to Kansas route of its own, or to provide more evidence that routing the proposed 345 kV line to Mt. Zion is necessary. Id.

i. Length of the Line

ATXI has itself not presented any routes directly from Pana to Kansas without routing the 345 kV line north to Mt. Zion. Staff Ex. 1.0(R) at 47. ATXI proposes two routes that connect Pana and Kansas through its proposed Mt. Zion Substation site: a primary route approximately 101.6 miles in length, and an alternate route approximately 105 miles in length. Staff Ex. 1.0(R) at 49, Table 8. Moultrie CPO proposes a route connecting Pana to Kansas that is approximately 75.6 miles long, while Macon CPO / Corzine propose a route approximately 64.8 miles in length. Id. Since the latter two routes do not extend to Mt. Zion, these clearly are not apple-apple comparisons. Id. at 48.

ii. Difficulty and Cost of Construction

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

iii. Difficulty and Cost of Operation and Maintenance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

iv. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

v. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

vi. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

vii. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on

each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

viii. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

ix. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

x. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

xi. Presence of Existing Corridors

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

b. Pana - Mt. Zion

i. Length of the Line

ATXI proposes a primary route that is approximately 33.8 miles in length and an alternative route that is approximately 38.3 miles in length. Staff Ex. 1.0(R) at 43, Table

6. The Corzine / Assumption Group propose a route that is approximately 31.4 miles long. Id. The Village of Mount Zion's proposed alternative substation site would result in a route that is approximately 34.0 miles long. Id.

ii. Difficulty and Cost of Construction

If ATXI constructs a 345 kV line between Pana and Mt. Zion, then, out of the alternatives presented, ATXI's primary route is preferable. Staff Ex. 1.0(R) at 42. Although a substation site south of the one ATXI proposes is to be preferred to the one it proposes, as the Village suggests, the Village's submission appears to depend upon the use of the more costly ATXI alternate route from Pana. Id. Because of that dependence, use of the Village's suggested alternate substation site would likely be more costly than use of ATXI's suggested substation site and primary route. Id. Corzine/Assumption Group are correct in asserting that that a shorter route that parallels Highway 51 north of Pana would be desirable. Id. The Corzine/Assumption Group alternative route uses ATXI's alternate route until that route reaches Highway 51. Id. Unfortunately, other existing proposals appear to route the line very close to several residences south of Assumption: either along Highway 51 between CR 900N and CR 1000N, or along ATXI's alternate route at CR 2500E. Id. Given time available, exploration of modifications to the Corzine/Assumption Group proposal is not feasible. However, a good choice for this segment would be to further consider use of Highway 51 as a corridor for the transmission line from Assumption northward Id .

It should be noted, however, that eminent domain is not available as against the Illinois Department of Transportation. *See, e.g.,* Ill. Dep't of Public Works and Buildings v. Ells, 23 Ill.2d 619, 179 N.E.2d 679 (1962) (it is "well established" in Illinois law that a

general grant of the power of eminent domain does not authorize the condemnation of property already devoted to a public use). More specifically, Section 9-113 of the State Highways Code provides in relevant part that:

> No … poles, wires … or other equipment of any public utility company … shall be located, placed or constructed upon, under or along any highway … without first obtaining the written consent of the appropriate highway authority as hereinafter provided for in this Section.
>
> 605 ILCS 5/9-113(a)

Section 9-113 authorizes the Department of Transportation to grant "consent to so use a highway … subject to such terms and conditions not inconsistent with this Code as the highway authority deems for the best interest of the public." 605 ILCS 5/9-113(h). Under a number of circumstances related to "non-toll federal-aid fully access-controlled State highways", which the Staff believes Highway 51 to be, the Department of Transportation may not grant such authority. 605 ILCS 5/9-113(c)(1)-(4). In any case, where the Department of Transportation authorizes a public utility to use Department property, it is deemed a revocable license rather than an easement. Reith v. General Telephone Co., 22 Ill.App.3d 337, 342; 317 N.E.2d 369, 374 (5th Dist. 1974).

iii. Difficulty and Cost of Operation and Maintenance

ATXI's primary route and a route using the Village of Mt. Zion's alternative substation site would be of similar length for this segment, but ATXI's primary route would require fewer of the more costly dead-end structures. Staff Ex. 1.0(R) at 43. Staff believes that operation and maintenance of a route adjacent to Highway 51 would be relatively easier and less expensive than other routes due to accessibility.

iv. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

v. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

vi. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

vii. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

viii. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

ix. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

x. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

xi. Presence of Existing Corridors

ATXI's primary route would place the 345 kV line parallel and adjacent to an existing 138 kV line when extending north from Pana until it turns east to the proposed Mt. Zion Substation site. ATXI Ex. 13.7 at 8-9. As noted, the Corzine / Assumption route utilizes an existing corridor, namely Highway 51. The extent to which this is an advantage relates directly to the Department of Transportation's willingness to grant ATXI a license to use the highway right-of-way, which is not a matter of record.

c. Mt. Zion – Kansas

i. Length of the Line

ATXI proposes two routes: a primary route that is approximately 67.9 miles long, and an alternate route approximately 66.7 miles in length. Staff Ex. 1.0(R) at 46, Table 7. MCPO proposes a route that is approximately 68.9 miles long. Id. Copeland and Reed each proposed modifications to ATXI's primary route that would not increase its overall length, so that the routes are approximately 67.9 miles long. Id. Use of the Village of Mount Zion's alternative site for Mt. Zion Substation would result in a route is approximately 63.7 miles long. Id.

ii. Difficulty and Cost of Construction

As an initial matter, it is not logical for ATXI to construct an additional substation site at Kansas. Staff Ex. 1.0(R) at 44. ATXI could terminate its proposed 345 kV line in AIC's existing substation, where it would tie to an existing AIC-owned 345 kV line that extends both north and south from AIC's substation. Id.

ATXI's alternate route would appear to be the lowest-cost route of those proposed. Staff Ex. 1.0(R) at 46. ATXI's primary route appears to be longer and would likely require more dead-end structures than its alternate route, and this likely to be more costly. Staff Ex. 1.0(R) at 46. In rebuttal, ATXI increased its estimated cost for using its primary route, explaining that it had previously used the wrong line length (66.32 miles instead of 68.32 miles) when estimating its primary route costs and therefore $129.087 million was the correct cost, rather than $125.502 million. ATXI Ex. 16.0(Rev.) at 7. The corrected estimated cost for ATXI's primary route is shown on ATXI Ex. 16.1 and 16.3. Id. The baseline cost estimates that ATXI provided in rebuttal show that use of MCPO's alternative route between Mt. Zion and Kansas, at $126.511 million, would result in lower cost than the $128.026 million associated with ATXI's alternate route. ATXI Ex. 16.3 at 7.

iii. Difficulty and Cost of Operation and Maintenance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

iv. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

v. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

vi. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

vii. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

viii. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

ix. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

x. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

xi. Presence of Existing Corridors

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

G. Kansas – Indiana State Line

1. Length of the Line

ATXI proposes two routes: a primary route that is approximately 37.0 miles long, and an alternate route approximately 33.4 miles in length. Staff Ex. 1.0(R) at 51, Table 9. Laura Te Grotenhuis proposes a route approximately 37.1 miles in length. Id. The SPL Coalition advances two proposals: the first approximately 24.7 miles in length, and the second approximately 33.7 miles long. Id. Though SPL Coalition's first alternative route would be far shorter in Illinois, since it travels directly east from the Kansas substation site to the state line, it would require an Indiana utility to construct additional facilities that the Commission has no authority to require. Staff Ex. 1.0(R) at 51-52. Staff found that ATXI's alternate route and SPL Coalition's second alternative route would appear to be the two lowest cost route alternatives for this segment. Id. at 51. In rebuttal, ATXI

provided baseline costs that show SPL Coalition 's second alternative route would be approximately $1.571 million less costly to construct than ATXI's alternate route. ATXI Ex. 16.3 (Rev.) at 8.

2. Difficulty and Cost of Construction

Based upon ATXI Ex. 16.3, SPL Coalition's second alternative would result in the least cost transmission line.

3. Difficulty and Cost of Operation and Maintenance

Based upon ATXI Ex. 16.3, SPL Coalition's second alternative would result in the least cost transmission line.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

Both routes that SPL Coalitions proposed would be adjacent and parallel to an existing 138 kV transmission line for approximately 14 miles and ATXI's primary route would be adjacent and parallel to an existing 138 kV for approximately 11 miles. ATXI Ex. 13.8.

H. Sidney – Rising

ATXI proposes constructing substations adjacent to AIC's existing substations at both Sidney and Rising. Staff Ex. 1.0(R) at 52. However, it is unnecessary for ATXI to construct additional substations rather than terminating its 345 kV transmission line at AIC's existing substations. Id. The function of ATXI's proposed substation is to tie together the 345 kV that exists at AIC's existing substation. Id. If ATXI constructs additional substations, the locations it has chosen adjacent to AIC's substations are rational, since the function of ATXI's substation is to tie to AIC's existing substation. Id. However, unless ATXI can demonstrate why additional substations at Sidney and Rising are necessary, the Commission should exclude these new, additional substations from any CPCN that it grants. Id.

1. Length of the Line

ATXI proposes two routes: a primary route that is approximately 24.2 miles long, and a secondary route approximately 33.8 miles in length. Staff Ex. 1.0(R) at 53, Table 10. The Ragheb family proposes a route approximately 32.9 miles long. Id.

2. Difficulty and Cost of Construction

ATXI's primary route is far shorter and would require fewer dead-end structures, and thus is preferable. Staff Ex. 1.0(R) at 53. In addition, AIC's legacy utility already acquired land rights for much of this transmission line route, so that for some time landowners along ATXI's primary route have been aware of the possibility of a transmission line. Order at 22-23, Ameren Illinois Company d/b/a Ameren Illinois: Petition for a Certificate of Public Convenience and Necessity, pursuant to Section 8-

406.1 of the Illinois Public Utilities Act, and an order pursuant to Section 8-503, to construct, operate and maintain a new 138,000 volt electric line in Champaign County, Illinois, ICC Docket 12-0080 (August 15, 2012).

3. Difficulty and Cost of Operation and Maintenance

Staff concludes ATXI's primary route would be less costly to operate and maintain due to its shorter length.

4. Environmental Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

5. Impacts on Historical Resources

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

6. Social and Land use Impacts

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

7. Number of Affected Landowners and other Stakeholders and Proximity to Homes and other Structures

Generally, Staff favored routes that passed close to fewer residences. Staff Ex. 1.0(R) at 21, however Staff did not document a comparison of homes and structures on

each route alternative. Tr. at 247. Staff offers no additional opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

8. Proximity to Existing and Planned Development

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

9. Community Acceptance

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

10. Visual Impact

Staff offers no opinion on this criterion in this Initial Brief, while reserving the right to respond to arguments raised by parties in their respective briefs.

11. Presence of Existing Corridors

As noted above, Ameren proposes to use an existing right-of-way for this segment. South of Bondville Route 10 Substation, west of Champaign, ATXI's primary route would place the 345 kV line on common structures with a 138 kV line over for a distance of about three miles, as was ordered in Docket 12-0080. ATXI Ex. 7 at 8.

V. MANAGING AND SUPERVISING THE CONSTRUCTION PROCESS

ATXI states that Ameren Services will manage the design, construction and operation of the project on behalf of ATXI. ATXI Ex. 3.0 at 3. ATXI states that Ameren Services has successfully overseen other projects, and Staff has no reason to question that statement. Staff Ex. 1.0(R) at 8. However, Staff is not certain how ATXI will continue to exist or complete the project if its single employee, Maureen Borkowski, were to leave ATXI. Id. ATXI's response that someone else would replace Ms. Borkowski does not entirely alleviate Staff's concern. Tr. at 284-85.

VI. FINANCING THE PROPOSED CONSTRUCTION

ATXI plans to finance the project by borrowing from Ameren Corporation. Staff Ex. 1.0(R) at 8. Mr. Rockrohr does not know whether ATXI's plan to borrow nearly all the necessary funds for the project from its parent corporation allows the Commission to find that ATXI is capable of finacing the proposed construction without significant adverse consequences for the utility or its customers, as Section 8-406.1(f)(3) requires. Id.

VII. OTHER

After the filing of testimony, Staff learned that neither ATXI nor MISO considered extending 345 kV from the substation a substation at the Kincaid Generation Plant to Mt. Zion rather than extending 345 kV south to Pana, and then back north to Mt. Zion. Tr. at 296; Staff-ATXI Joint Ex. 1.0, ATXI response to Staff DR ENG 6.01 and ENG 6.01 Attach; Staff-MISO Joint Ex. 1.0, MISO response to Staff DR ENG-MISO ENG 3.1. ATXI selected a site for its Pawnee Substation that is along the existing 345 kV transmission line connecting Pawnee to the Kincaid Generation Plant. Staff Ex. 1.0(R) at 34. Staff

observes that an alternative that supplied a new Mt. Zion substation site from Kincaid rather than from Pana could eliminate the need for the Pawnee to Pana and the Pana to Mt. Zion 345 kV segments, and reduce the overall length of the new transmission line. ATXI Petition Ex. A (Part 3-4 of 5). ATXI Ex. 2.4 indicates ATXI's development of the Pawnee to Pana and the Mt. Zion to Kansas segments in 2018, so that ATXI's schedule for these segments would not need to be impacted if the routes were to be considered further. The development date for the Pana to Mt. Zion segment shown on ATXI Ex. 2.4 is 2016, however ATXI's exclusion of the 138 kV connections from its petition means additional CPCN proceedings will be necessary at the Commission to complete the MISO MVP project – including the 138 kV connections at Mt. Zion. Staff Ex. 1.0(R) at 18. Since, even if ATXI constructs a substation in the Mt. Zion area, it is still not clear to Staff that ATXI chose the best location for that substation or that there is a need to route the transmission line from Pana to Mt. Zion, Staff recommends that the Commission exclude the Pana-Mt. Zion-Kansas segments from any CPCN it grants. Staff Ex. 1.0(R) at 47. There is already a 345 kV line connecting Pawnee to Kincaid, and connecting Pana to Kincaid. Staff Ex. 1.0(R) at 34, 37. Staff also recommends that the Commission exclude the Pawnee-Pana segment because, if a Kincaid to Mt. Zion line can satisfy the need for a 345 kV source in the greater Decatur area at a lower cost that a Pawnee-Pana-Mt. Zion line, then the Pawnee to Pana line would not be necessary.

VIII. CONCLUSION

The Staff recommends that the Commission grant ATXI a CPCN consistent with the limitations and qualifications expressed by the Staff in this Initial Brief.

WHEREFORE Staff of the Illinois Commerce Commission respectfully requests that its recommendations be adopted in their entirety consistent with the arguments set forth herein.

Respectfully submitted,

/s/_____

Matthew L. Harvey
Kelly A. Armstrong
James V. Olivero

Illinois Commerce Commission
Office of General Counsel
160 North LaSalle Street, C-800
Chicago, IL 60601
(312) 793-2877
(217) 785-3808
mharvey@icc.illinois.gov
karmstrong@icc.illinois.gov
jolivero@icc.illinois.gov

June 3, 2012

Counsel for Staff of the Illinois Commerce Commission